

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF RATES       )  
OF EQUITABLE GAS COMPANY    )   CASE NO. 6602-T

O R D E R

On December 8, 1976, the Commission issued its Order in Case No. 6602, approving certain rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or refunds are received.

On March 10, 1983, Equitable Gas Company ("Equitable") notified the Commission that its wholesale cost of gas would be increased by its supplier, Kentucky West Virginia Gas Company, effective March 2, 1983, and that it had refunds due its customers. Equitable submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with the Commission.

After reviewing the record filed in this case and being advised, the Commission is of the opinion and finds that:

(1) Equitable's notice of March 10, 1983, set out certain revisions in rates which Equitable proposed to

place into effect, said rates being designed to pass on the wholesale increase in price from its supplier in the amount of \$648,123 or \$0.9392 per Mcf.

(2) The Commission should allow Equitable to place the rates in Appendix A into effect on and after April 1, 1983. These rates should be subject to refund because Equitable's supplier rates have been approved subject to refund by the Federal Energy Regulatory Commission.

(3) Equitable has refunds in the amount of \$353,666 to be refunded to its customers. Equitable has proposed to apply a refund factor in the amount of \$0.5661 per Mcf to its customers' bills over a 12-month period.

(4) Equitable should refund the amounts reported in its application plus interest at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12-month period less 1/2 of 1 percent to cover the costs of refunding. These monthly rates are reported in both the Federal Reserve Bulletin and the Federal Reserve Statistical Release.

(5) Equitable's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 6602 dated December 8, 1976, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after April 1, 1983, subject to refund.

IT IS THEREFORE ORDERED that the rates in Appendix A be and they hereby are approved, effective for gas supplied

on and after April 1, 1983, subject to refund.

IT IS FURTHER ORDERED that for the purpose of the future application of the purchased gas adjustment of Equitable the base rate for purchased gas shall be:

Commodity

Kentucky West Virginia Gas Company \$3.3576/Dth\*

\*Including \$0.0072 Gas Research Institute Funding Charge

IT IS FURTHER ORDERED that Equitable shall apply a refund factor in the amount of \$0.5661 per Mcf as a reduction in the approved purchased gas adjustment beginning with Equitable's next billing cycle, or as soon as practical, and remaining in effect until such time as the amount refunded equals the refundable amount herein plus interest.

IT IS FURTHER ORDERED that within 30 days after the date of this Order Equitable shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 30th day of March, 1983.


PUBLIC SERVICE COMMISSION

  
Chairman

ATTEST:

  
Vice Chairman

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Secretary

  
Commissioner

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE  
COMMISSION IN CASE NO. 6602-T DATED March 30, 1983

The following rates are prescribed for the customers in the area served by Equitable Gas Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES: Monthly

First	2 Mcf	\$6.3939
Next	18 Mcf	3.0120 per Mcf
Next	30 Mcf	2.9570 per Mcf
Next	50 Mcf	2.9070 per Mcf
All Over	100 Mcf	2.8570 per Mcf